

ANNUAL REPORT

OF THE

Detroit & Mackinac

Railway Company,

INCLUDING

Traffic Reports of the Road

FOR THE

FISCAL YEAR ENDING

June 30th, 1897.

SCHOBER PRINTING & STATIONERY CO.
DETROIT, MICHIGAN.



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DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

C. H. COSTER.....	New York, N. Y.
E. N. GIBBS.....	New York, N. Y.
A. J. THOMAS.....	New York, N. Y.
H. B. HOLLINS.....	New York, N. Y.
J. D. HAWKS.....	Detroit, Mich.

OFFICERS

J. D. HAWKS.....	<i>President and Gen'l Manager.</i>
GEORGE M. CROCKER.....	<i>V-Prest., Auditor and Purc'g Agt.</i>
A. H. GILLARD.....	<i>Secretary.</i>
J. H. EMANUEL	<i>Treasurer.</i>
DON. M. DICKINSON.....	<i>General Counsel.</i>
D. J. CASEY.....	<i>Chief Engineer.</i>
C. W. LUCE.....	<i>General Superintendent.</i>
T. G. WINNETT.....	<i>Gen'l Freight and Pass. Agent.</i>

General Office, No. 610 Union Trust Bld'g, Detroit, Mich.

DEROIT, MICH., Oct. 26th, 1897.

REPORT OF THE GENERAL MANAGER

To the Stockholders of Detroit & Mackinac R'y Co.

GENTLEMEN:—

During the year ending June 30, 1897, the property of the company has been maintained in an efficient condition, and greatly improved in respect to ballast, bridges and the substitution of 70 lb. rail for lighter steel. The company has no floating debt. No fatal accidents have occurred to passengers. One employee was killed during the year owing to no fault of the company. There has been no construction account since the closing of the construction account for the Southern Extension in October, 1896.

The opening of the Southern Extension from Emery Junction to Bay City, a distance of 47 miles, on September 20, 1896, has given us a very much better outlet than the road had before the completion of this extension. This extension gave us considerable business during the year, and promises to do even better, in the near future. The advantages of thorough construction of the extension have been very manifest during the year; the road bed coming out in the spring in perfect order. The low grades and easy curves are going to be a constant convenience in handling business. We have already handled as many as 74 loaded freight cars, in one freight train over this extension.

We are now working harmoniously with the Flint & Pere Marquette, Grand Trunk and Michigan Central Railroads, thus giving shippers along our line, their choice as to routes. Our ability to give through routing has greatly increased the business on the line as has been demonstrated during the year by the number of factories, mills and stores, that are going in at various points thus giving assurances of increased business for some years to come. It is perhaps unnecessary to say that the uncertainty attending the Presidential election had a depressing effect on the business of the year, it being generally known that lumber and lumber products were particularly effected by the hard times.

During the year considerable effort has been made to develop business that will ultimately take the place of the log and lumber business. This effort which has been directed not only to passenger, but to freight business, is meeting with success.

New summer resorts have been opened at Linwood and East Tawas, and although not much was expected of them for the first season, they have demonstrated already their value. Business in the handling of merchandise, live stock and farm products shows gratifying signs of increasing. The undeveloped resources of the road in coal, gypsum and lime stone, have rested in abeyance during the year, owing to the hard times, but there are prospects that another year will see some business in all three of these commodities. The logging branch extension completed during the year, and others in process of completion, at the present writing, give promise of an increased business for the present fiscal year.

Yours very truly,

J. D. HAWKS,

President & Gen. Manager.

MILEAGE OF DETROIT & MACKINAC RAILWAY.

Main Line—Bay City to LaRoche.....	157.3
Rose City Branch—Emery Junction to Rose City.....	31.8
Prescott Branch—Emery Junction to Prescott.....	11.8
Valentine Lake Branch—La Roche to Valentine Lake	25.7
Various Spurs and Logging Branches	69.6
TOTAL MILEAGE	296 2
Average number of miles in operation during year	284.8

NEW BRANCHES, SPURS AND SIDINGS CONSTRUCTED DURING YEAR.

Track No		Miles	Feet
20	Alger, Smith & Co., Logging Branch.....	...	4000
51	Northern Extract Co., siding.....	...	300
53	Alger, Smith & Co. logging branch.....	7	1470
57	H. M. Loud & Sons, spur.....	...	3360
58	Collins & Johnson, spur.....	...	2970
59	Moench & Sons, tannery	900
60	Huron H. & Lbr. Co.....	...	2150
61	F. Gilchrist, spur.....	...	580
63	South of Turner, spur.....	...	1165
64	South of Turner, spur.....	...	1018
65	Eymer Saw Mill, spur.....	...	1122
66	McLeans Mill, North of Turner....	...	484
69	Fletcher & Sons, Brush Creek	1	5025
70	Alpena Siding.....	...	390
71	Emery Junction, siding.....	...	485
72	Alpena H. & L. Co.....	...	1900
73	Campbell, spur, south W. Harrisville.....	...	420
74	Alger, Smith & Co., one mile south of Blongs Camp.....	...	640
75	Northern Extract Co.....	...	286
76	Pfeiffer & Burch.....	...	391
77	State Road, south of Turner.....	...	500
81	Alger, Smith & Co., west Valentine Lake.....	1	1450
85	Alger, Smith & Co., west Valentine Lake.....	1	1320
86	Alpena yard, Brown spur.....	...	600
			16—1246

Above is list of tracks mostly, more or less temporary, built during fiscal year ending June 30, 1897.

Rail for the branches was taken out of main track or from logging branches taken up.

EARNINGS AND EXPENSES

EARNINGS

	Amount	Per Cent
Freight.....	298,945.56	78.51
Passenger.....	84,035.43	20.66
Mail.....	17,457.32	4.29
Express.....	1,960.20	.48
Other Sources.....	4,283.19	1.06
TOTAL EARNINGS	\$406,681.70	100%

EXPENSES

Maintenance of Ways and Structures.....	102,572.32	33.66
Maintenance of Equipment.....	41,812.25	13.72
Conducting Transportation.....	137,635.30	45.16
General Expenses.....	22,718.98	7.46
TOTAL EXPENSES	\$304,738.85	100%
NET EARNINGS	\$101,942.85	

ADDITIONS TO PROPERTY CHARGED TO OPERATING EXPENSES

Omer Depot Grounds.....	300.00
Ballasting Main Line.....	1,467.48
New Fence Built.....	2,982.21
Logging Branches Built during the year.....	4,314.91
Outfit for turning Saginaw River Bridge.....	250.00
Rose City Depot.....	800.00
New Rail.....	35,497.81
New Shop Machinery.....	1,545.00
Other Items.....	702.56
TOTAL	\$47,859.97

CHARGES TO CONSTRUCTION

Cost of road June 30th, 1897.....	\$4,708,640.41
Cost of road June 30th, 1896.....	4,542,547.86
Increase during year	\$166,092.55

SOUTHERN EXTENSION

Emery Junction to Bay City—47 miles	
Cost to June 30th, 1897	\$528,383.57
Cost to June 30th, 1896	374,913.50
Increase during year	\$153,470.07

SAGINAW RIVER BRIDGE

Cost to June 30th, 1897	35,958.57
Cost to June 30th, 1896	23,336.09
Increase during year	12,622.48
TOTAL INCREASE DURING YEAR	\$166,092.55

CONDENSED BALANCE SHEET

Cost of Road	\$4,708,640.41	
Cost of Equipment	311,817.18	
Material and Supplies on hand	31,801.13	
Cash on deposit with J. P. Morgan & Co.	30,008.33	
Alp. & Nor. Trust F'd on deposit with J. P. M. & Co.	115,002.97	
Cash in Bank	22,206.98	
Coupon Account	5,500.00	
CURRENTS ACCOUNTS RECEIVABLE		
Due from Agents	\$10,412.33	
Net Traffic Balances	1,222.26	
Bills Receivable	398.55	
Due from Co's and Individuals	16,925.58	
		28,958.72
Capitol Stock		2,000,000.00
Preferred Stock		60,000.00
Funded Debt		2,900,000.00
Balance Purchase Price A. & N.		124,721.86
Carnegie Contract		34,000.00
Bills Payable		41,845.34
Income		93,368.52
	\$5,253,935.72	\$5,253,935.72

INCOME ACCOUNT

Balance June 30th, 1896		\$115,342.93
Earnings		406,681.70
Operating Expenses and Taxes	309,817.83	
Interest on Funded Debt	116,000.00	
Construction Southern Extension	2,838.28	
Balance June 30th, 1897	93,368.52	
	\$522,024.63	\$522,024.63

OPERATING EXPENSES FOR THE YEAR.

MAINTENANCE OF WAY AND STRUCTURES.

Repairs of Roadway.....	\$44,782.21
Renewals of Rails.....	34,397.79
Renewals of Ties.....	8,542.75
Repairs and Renewals of Bridges and Culverts.....	2,651.06
Repairs and Renewals of Fences, Road Crossings, Signs and Cattle Guards.....	4,160.91
Repairs and Renewals of Buildings and Fixtures.....	2,521.80
Repairs and Renewals of Telegraph.....	1,387.79
Stationery and Printing.....	33.08
Other Expenses.....	4,094.93
TOTAL	<u>\$102,572.32</u>

MAINTENANCE OF EQUIPMENT.

Superintendence.....	2,340.00
Repairs and Renewals of Locomotives.....	14,923.13
Repairs and Renewals of Passenger Cars.....	3,151.15
Repairs and Renewals of Freight Cars.....	13,375.96
Repairs and Renewals of Work Cars.....	1,441.01
Repairs and Renewals of Shop Machinery and Tools.....	1,817.40
Stationery and Printing.....	31.23
Other Expenses.....	4,732.37
TOTAL	<u>\$41,812.25</u>

CONDUCTING TRANSPORTATION.

Superintendence.....	\$10,110.34
Engine and Round House Men.....	28,698.32
Fuel for Locomotives.....	36,327.59
Water Supply for Locomotives.....	2,215.73
Oil, Tallow and Waste for Locomotives.....	2,363.42
Other Supplies for Locomotives.....	405.20
Train Service.....	22,843.88
Train Supplies and Expenses.....	4,246.64
Switchmen, Flagmen and Watchmen.....	2,640.95
Telegraph Expenses.....	404.02
Station Service.....	14,716.32
Station Supplies.....	584.82
Car Mileage—Balance.....	4,577.19
Loss and Damage.....	2,266.29
Injuries to Persons.....	55.10
Clearing Wrecks.....	291.11
Advertising.....	475.34
Outside Agencies.....	103.90
Rents for Tracks, Yards and Terminals.....	1,555.00
Stationery and Printing.....	2,061.12
Other Expenses.....	693.02
TOTAL,	<u>\$137,635.30</u>

GENERAL EXPENSE.

Salaries of General Officers.....	\$10,000.00	
Salaries of Clerks and Attendants.....	4,223.24	
General Office Expenses and Supplies.....	2,832.97	
Insurance	1,057.09	
Law Expenses.....	1,108.08	
Stationery and Printing.....	706.54	
Other Expenses.....	2,791.06	
TOTAL, -		\$22,718.98
GRAND TOTAL, -		\$304,738.85

BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued during year	Principal Due
		Rate	When Payable		
First Lien	900,000.00	4 %	June and December	36,000.00	June 1, 1995
Mortgage	2,000,000.00	4 %	June and December	80,000.00	June 1, 1995
	\$2,900,000.00			\$116,000.00	

PASSENGER STATISTICS

Number of Passengers carried.....	87,944	
Number Passengers carried one mile.....	3,113,204	
Number Passengers carried one mile per mile of road..	1,093	
Average distance each passenger carried.....	35.4	
Total Passenger Revenue.....		\$83,215.96
Average amount received from each passenger.....		.94.624
Average receipts per Passenger mile.....		.02.673
Total Passenger earnings.....		103,452.95
Passenger earnings per mile of road.....		363.24.77
Passenger earnings per train mile.....		.53.576

FREIGHT STATISTICS

No. Tons carried of freight earning revenue.....	446,456	
No. Tons carried one mile.....	18,081,468	
No. Tons carried one mile per mile of road.....	63,488	
Average distance haul of one ton.....	40.5	
Total Freight revenue.....		\$298,945.56
Average amount received for each ton freight.....		.66.96
Average receipts per ton per mile.....		.01.653
Total Freight earnings.....		298,945.56
Freight earnings per mile of road		1,049.66.84
Freight earnings per train mile.....		1.22.262

PASSENGER AND FREIGHT STATISTICS.

Passenger and Freight Revenue.....	\$382,161.52
Passenger and Freight Revenue per mile of road.....	1,341.85.927
Passenger and Freight Earnings.....	402,398.51
Passenger and Freight Earnings per mile of road.....	1,412.91.612
Gross Earnings from operation.....	406,681.70
Gross Earnings from operation per mile of road.....	1,427.95.540
Gross Earnings from operation per train mile.....	.92.933

OPERATING STATISTICS.

Operating Expenses per mile of road.....	\$ 1,070.01
Operating Expenses per train mile.....	.69.866
Income from operation.....	101,942.85
Income from operation per mile of road.....	357.94.540
Ratio of Expense to Earnings.....	.74.93

TRAIN MILEAGE STATISTICS.

Miles run by passenger train.....	176.026
Miles run by freight trains.....	193.306
Miles run by mixed trains.....	68.276
Miles run by construction and other trains.....	56.100

TOTAL TRAIN MILEAGE,	-	493.708
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FREIGHT TRAFFIC MOVEMENT.

PRODUCTS OF AGRICULTURE.	TONS.	PER CENT
Grain	2,009	.45
Flour.....	1,517	.34
Other Mill Products.....	402	.09
Hay	313	.07
Fruit and Vegetables.....	1,786	.40
PRODUCT OF ANIMALS.		
Live Stock.....	1,829	.41
Dressed Meats.....	714	.16
Other Packing House Products.....	1,250	.28
Poultry, Game and Fish.....	224	.05
Hides and Leather.....	1,562	.35
PRODUCTS OF MINES.		
Anthracite Coal.....	1,217	.27
Bituminous Coal.....	3,650	.82
Stone, Sand and other like articles.....	1,207	.27
Salt	848	.19
PRODUCTS OF FOREST.		
Lumber	28,171	6.31
Logs	339,976	76.15
Shingles	18,394	4.12
MANUFACTURES.		
Petroleum and other oils.....	1,117	.25
Iron, Pig and Bloom	3,482	.78
Other Castings and Machinery.....	2,947	.66
Cement, Brick and Lime	2,009	.45
Wines, Liquors and Beers	491	.11
Household Goods and Furniture.....	848	.19
Other Manufactured Articles.....	3,036	.68
MERCHANDISE.	27,457	6.15
TOTAL,	-	446,456
		100%

EQUIPMENT

LOCOMOTIVES			
Passenger.....	6		
Freight.....	13		
Switching.....	1		
	Total	-	20
PASSENGER CARS			
First Class Cars.....	6		
Combination Cars.....	2		
Parlor Cars.....	2		
Baggage, Express and Postal Cars.....	5		
	Total	-	15
FREIGHT CARS			
Box Cars.....	84		
Flat Cars.....	899		
Other Cars in freight service.....	273		
	Total	-	756
IN COMPANY'S SERVICE			
Officer's and Pay Cars	1		
Derrick Cars.....	1		
Caboose Cars.....	8		
Other Road Cars.....	8		
	Total	-	18
	Total number Engines owned	-	20
	Total number Cars owned	-	789

PERFORMANCE OF LOCOMOTIVES.

Miles Passenger Trains.....	176.026	
Miles Freight Trains	193.306	
Miles Mixed Trains.....	68.276	
Miles Construction Trains	56.100	
	TOTAL ENGINE MILES,	493.708
	COST.	
Repairs of Engines	\$14,923.13	
Fuel	36,327.59	
Oil, Waste and Tallow.....	348.45	
Water Supply	2,215.73	
Other Supplies.....	405.20	
Wages Engine Men.....	28,698.32	
Wages Engine Wipers	1,273.93	
	TOTAL COST,	\$84,192.35
	" " PER MILE RUN	.17.053

AVERAGE NO. POUNDS COAL CONSUMED PER MILE.

Passenger	36.426
Freight.....	81.122
Switching	40.008
Construction	80.000